

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

February 28, 2011

TO: Honorable Richard Pena Raymond, Chair, House Committee on Human Services

FROM: John S O'Brien, Director, Legislative Budget Board

IN RE: HB502 by Kleinschmidt (Relating to foster care payments for certain children.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB502, As Introduced: a negative impact of (\$244,296) through the biennium ending August 31, 2013.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2012	(\$116,837)
2013	(\$127,459)
2014	(\$127,459)
2015	(\$127,459)
2016	(\$127,459)

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from General Revenue Fund 1
2012	(\$116,837)
2013	(\$127,459)
2014	(\$127,459)
2015	(\$127,459)
2016	(\$127,459)

Fiscal Analysis

The bill would amend the Family Code to clarify how long young adults who have received a GED or a high school diploma may remain in foster care. The young adult would have an additional three full months in which they are eligible to stay in foster care after receiving a high school diploma or GED without having to participate in another educational or vocational activity.

The bill takes effect immediately if it receives a vote of two-thirds of the members; otherwise it would take effect September 1, 2011.

Methodology

The bill would result in increased foster care reimbursement costs for a small number of eligible youth for a three month period. Based on the analysis of the Department of Family and Protective Services (DFPS), it is assumed that an additional 23 youth each year (approximately 20% of the 112 youth currently taking advantage of staying in foster care to pursue more education) would stay in foster care for three months. Distributing the 23 youth equally throughout the year, it is assumed that 1.92 youth would enter the program each month and remain in the program for three months.

The first month of the program would have a population of 1.92 youth, the second month's population would be 3.83 youth, and the third and subsequent months' population would be 5.75 youth. Based on the analysis of DFPS, it is assumed that the average cost of foster care for basic through intense service levels is \$1,847.23 per month. Annual costs are derived by multiplying the estimated additional youth remaining in foster care by the average foster care monthly cost and again multiplying by twelve. This results in a cost of \$116,837 in fiscal year 2012 and \$127,459 in fiscal year 2013 and each year thereafter.

The bill would require minor automation changes that DFPS indicates would be completed in-house.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 530 Family and Protective Services, Department of

LBB Staff: JOB, CL, NB, MB, VJC, PP, NM